

Energy and Commerce Dems Release GAO Report on Efficiency Standards; Report Finds Billions in Energy

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NEWS RELEASE

Committee on Energy and Commerce

Rep. John D. Dingell, Chairman

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Energy and Commerce Dems Release

GAO Report on Efficiency Standards
Report Finds Billions in Energy Savings

Lost Due to Missed Deadlines

Washington, D.C. - At a press conference today, top Democrats on the Committee on Energy and Commerce released a Government Accountability Office (GAO) report that revealed the Department of Energy (DOE) has missed all 34 statutory rulemaking deadlines for setting minimum energy efficiency standards. The report entitled, "Long-Standing Problems with the Department of Energy's Program for Setting Efficiency Standards Continue to Result in Foregone Energy Savings" was requested by Reps. John D. Dingell, Chairman of the Committee on Energy and Commerce, Rick

Boucher, Chairman of the Subcommittee on Energy and Air Quality and Ed Markey, Chairman of the Subcommittee on Telecommunications and the Internet.

Efficiency standards on consumer products are set by DOE rulemaking. For the 20 product categories with statutory deadlines, GAO found that 11 of the 34 rules were completed late and 23 have not been completed at all. DOE's delays range from less than a year to 15 years. Rulemakings have been completed for only refrigerators, refrigerator-freezers and freezers, small furnaces, and clothes washers. There are 17 consumer product categories that DOE has yet to finish.

According to the Lawrence Berkeley National Laboratory, delays in setting standards for the top four energy-consuming categories will ultimately cost our nation a minimum of \$28 billion in foregone energy savings, which is equal to the annual primary energy consumption of approximately 20 million households. The delays will also result in 53 million tons of carbon dioxide emissions, an amount equivalent to about one percent of the total estimated U.S. carbon dioxide emissions in 2004.

Citing a need for national standards, the GAO also asserted that increased manufacturer costs could be passed on to consumers if states began to set their own differing standards. The report encouraged DOE to establish better internal deadline-setting and data-systems relating to the process of setting standards.

"These missed deadlines have cost our nation more than we can afford," said Dingell (D-MI). "I am encouraged by the new determination at the Department to correct program deficiencies. The current DOE officers are not the targets for the legitimate criticism in the report, but they will be held accountable."

Markey (D-MA) said, "The GAO report we are releasing today represents a blistering indictment of a culture of incompetence and delay at the Department of Energy's appliance and building code standards setting programs, a concern I have long maintained. As the GAO notes that 'plans should hold officials and staff accountable for meeting interim and final deadlines,' the same report acknowledges that the DOE plan does not even include a system to ensure that reviewers and staff are held to meeting deadlines. Accountability is critical, and the DOE needs to address this finding immediately."

"The GAO report released today reveals alarming past failures on the part of the Department of Energy to meet statutory deadlines for setting appliance efficiency standards," said Boucher (D-VA). "These failures, which have spanned several different Administrations, have resulted in homes and businesses being populated with appliances significantly less efficient than they should have been, at a cost to consumers of more than \$28 billion. I am however encouraged that the Department of Energy has expressed similar outrage at the findings detailed in the GAO report and that proper attention is at long last being paid to this program. I look forward to working with Chairman Dingell and the responsible officers in the Administration to do what we can to clear away this backlog and continue to move aggressively to set these standards for efficient appliances."

[Copy of GAO Report]

Prepared by the Committee on Energy and Commerce

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